EFFICIENCY REVIEW'S BEST PRACTICES & GUIDELINES FOR IMPLEMENTATION

Name of Agency & Director: ADOT, Victor Mendez

Topic of Reform: Mailing and Postage

Background
Motor Vehicle Division of ADOT mails hundreds of thousands of title and registration notices every year. Unfortunately, an unusually large number are returned. As a result, we were looking at databases we could use to update our mailing addresses before mailing. This would save us significant postage dollars and save citizens time and money.

Savings & Benefits
Savings of $50,000 or more per year as a result of no longer having to redeliver mail.

Helpful Advice
Perform a cost benefit analysis to determine which contract is right for you. The most challenging aspect was working through the US Postal Services indemnification requirements.

How To Implement
1. Determine if the agency has the authority to use outside sources to update client addresses. In order for MVD to use an outside source statutory authority was required, ARS 28-448.C. In discussing our response to you we concluded that perhaps some alternative for all agencies would be a better solution. Perhaps an Executive Order or amending ADOA authorities to act on behalf of all agencies who what to enter into a contract for outside address update services. This is something you will need to look into for your agency.

2. Identify the vendor(s). We chose Group One (Pitney-Bowes) since they were the industry leader. We didn't bid it. It was determined that the number of vendors was sufficiently small that we went out directly.

3. Proof of Content Test. We set up a test using real data to test the correctness of the service. Basically, would it produce as advertised.

4. PIJ (Project Investment Justification) to GITA. Once we were satisfied with the proof of content test results we submitted a PIJ to GITA.

5. Enter into contract with vendor. Once GITA authorized the PIJ we began contract negotiations with Group One. The base contract was a boilerplate from Group One that was amended and approved by the Attorney General's Office.

6. U.S.P.S Agreement. The product we were going to use is really a proprietary product of U.S.P.S. so it was necessary to sign an agreement with U.S.P.S. The primary sticking point was the indemnification requirements of U.S.P.S. The agreement requires a qualification review by U.S.P.S. before they will certify the user.

7. Once certified by U.S.P.S. and with an executed agreement the implementation of the software can be done.

For further information on this project contact:
Richard Travis
Rtravis2@azdot.gov
602.712.7550